

City Residential Real Estate Assessments Leap by Whopping 23%; Huge Commercial Hike, Too

Overall Jump Matches City's All-Time Mark

By Nicholas F. Benton

City of Falls Church residential and commercial property owners opened their mailboxes this week to the sight of whopping tax assessment increases. City homeowners' eyes bugged out to the sight of an average 23 percent one-year jump, and commercial property owners saw jumps in the average range of 13 percent.

All properties combined, assessments rose by 18.38 percent, virtually matching the City's all-time record for a single-year jump (set at 18.42 percent in 1989).

These jumps came on the heels of an average 13.97 percent increase last year. Combined with a tax rate increase introduced by the City Council last spring from \$1.10 to \$1.13 per \$100 of assessed valuation, homeowners' total tax bills will jump by close to 50 percent, on average, from two years ago.

In addition, the City Council may introduce a further tax rate increase this April, which would go into effect July 1. Based on a combination of the state's fiscal woes and continues enrollment growth in the City's schools, the Council will be hard-pressed to avoid some sort of new increase.

City Assessor William W. De Lanoy, now in his 25th year on the job here, noted that the biggest jumps for both residential and commercial came in townhouse-style units, as opposed to large detached homes or larger office buildings.

For example, the increase in "Cherry Hill"-style smaller townhomes was 32.4 percent (from an average \$196,600 to \$260,200), while medium and large townhomes (composing 9.29 percent of the City's housing stock) jumped in value by 24.67 percent.

Typical increases for townhouse-style commercial offices were about 30 percent, De Lanoy reported, while there was little change in other office types.

Detached homes, whose values add up to 52.2 percent of the City's total residential real estate values, increased by an average 21.75 percent. The total number of such homes grew by only three, from 2,225 to 2,228, in the past year.

All these values, of course, as De Lanoy pointed out, reflect the market, and conform with what realtors have been telling the *News-Press* all year about the "hot" City of Falls Church real estate market, driven primarily by location, amenities and the reputation of the City's schools.

The surge in the value of townhouse units reflects a growing trend of families willing to squeeze into smaller units in order to qualify their children for enrollment in the Falls Church school system, a pattern which can be expected to continue.

Residential composes, in terms of net valuation, 76.54 percent of the City's total taxable property base, a slight increase from 74.72 percent a year ago, even though the total number of residential units grew by only three, from 4,771 to 4,774, in the past year.

The remainder, commercial property, dropped from being 25.14 percent of the City's taxable property a year ago to being 23.43 percent now, as total commercial units dropped from 432 to 421.

New construction remodeling and subdividing accounted for one-third of one percent of the increased values (adding \$5.6 million to the total \$1.663 billion taxable value for the City).

In the past two years, the assessment at a typical smaller townhouse unit, in Winter Hill, jumped by 40 percent from \$118,900 to \$167,180. At a tax rate of \$1.10 two years ago, the annual tax bill on that unit was \$1,307.90. This year, at a tax rate of \$1.13 (so far), the bill will be \$1,889, or an increase of \$581.23, or a 44.4 percent increase.

Although the assessments came in, De Lanoy suggested, slightly higher "but not by orders of magnitude," than City Manager Dan McKeever earlier projected, McKeever has repeatedly warned the City Council that there will be a major budget revenue shortfall as it begins its deliberations on the Fiscal Year 2003 budget this spring.

Persons wishing to question or appeal the new assessments can call City Assessor Bill De Lanoy at (703) 248-5022 by March 6. Appeals can also be filed with the City's Board of Equalization, until April 5.

(From the Thursday, January 24, 2002 issue of the Falls Church News-Press)